INFORMATION REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

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25 YEAR RE-REVIEW

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- 1. MEZ Vsetin, National Enterprise, in Vsetin (N 49-20, E 18-00), the third most important factory for the production of strong-current electric machinery in Czechoslovakia, was established in 1946. The enterprise consisted of three plants:
 - The Main Plant which occupied the premises of the former Sousedik firm (see memory sketch of plant layout, page 10, points 1, 2, 3, 4, 5, and part of 6) and the buildings which were constructed in this area after 1946.
 - The Kablo Plant (see page 10, II) which was located across the Becva River, north of the Main Plant, and which, in addition to the premises of the former Kablo Plant, included the former Sousedik Foundry (see page 10, points 32, 33, 34, and 44). The Kablo Plant was a factory for the production of cables which was liquidated during 1948-49. It was located east of the foundry.
 - The Sandrik Plant which was located in the vicinity of the railroad station in Vsetin (not shown on sketch). This was the former Bubela firm, later a branch plant of Sandrik,
 National Enterprise, which produced stainless steel utensils
 for table use. The plant was liquidated sometime during 1951
 and the premises were taken over by MEZ. The winding shop for high-voltage machinery and the repair shop, where products of both MEZ and other factories were repaired, were located there.
- The former independent Sousedik firm employed about 150 personnel. After World War II, when the plant was a part of the Tatra concern, there were about 350 employees. Since 1951 MEZ Vsetin has had approximately 2,500 employees. There were three main reasons for

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the rapid enlargement of the factory: The Sousedik firm was most experienced of all MEZ plants at the time the MEZ General Management, National Enterprise, was formed. Ing. Miroslav Smok, general manager of the enterprise and later an executive of the Ministry of Heavy Machinery Construction, favored the Vsetin plant because he was manager of the factory while it was part of the Tatra concern. Finally, it was the general policy of the government to locate the most important industries in the eastern part of the Republic. Source's memory sketch gives the plant layout of the factory as of late summer 1954. There were no plans for significant enlargement of the factory in the near future.

- About 90% of the total production was performed in the Main Production Building (see page 10, point 7) which was built during 1948—49 and located at the Main Plant. There were five fully equipped production lines in the building; each line was for machinery of a particular size and/or a particular type of machine. The testing plant served all of the production lines and was located in the southern end of the Main Production Building. The remaining 10% of production was performed in the prototype shop (see page 10, point 1). In addition to the manufacture of prototypes, parts or products requiring especially careful manufacture were manufactured there, for instance, dynamometers. The policy followed in the manufacture of prototypes was not consistent. Actually, it rather frequently occurred that a series was put into production prior to the completion of a prototype.
- 4. The equipment of the Main Production Building was modern and in very good condition as was all of the factory equipment except for some cranes. As a machine worthy of particular note, mentioned a horizontal grinding machine of Swiss manufacture; it was called "Siebel". The machine had optical equipment for precision operations and was used in the tool shop for the manufacture of dies. On the other hand, it may be said that the plant had no equipment other than that which was absolutely necessary for production. For instance, the plant did not have winding machines for armatures of small rotors and, consequently, the windings for amplidynes were done by hand. In addition, the testing plant was not sufficiently equipped. There was no loop oscillograph, for example, and this device always had to be borrowed from MEZ Development.
- 5. As of late summer 1954, there was no furnace for heat treatment of castings or welded structures. These items were sent to the Zbrojowka plant in Vsetin for treatment. However, this was done only when it seemed to be absolutely necessary, for instance, in the case of large machinery for ships. In most cases, castings and welded structures were used without having been submitted to heat treatment. Also as of late summer 1954, there was no equipment for coating coils with varnish under vacuum. This did not make too much difference with regard to small machines, but the coils of large machines required an excellent coating. The lack of these two types of equipment resulted in the lowering of quality of MEZ products. It was decided, therefore, to build a furnace for heat treatment and also to install equipment for coating under vacuum; the installation of both of these items would be completed during 1955.
- 6. A new foundry was built during 1949 (see page 10, points 35, 36, 37, and 37a). The founding area itself was estimated, 25 x 50 25X1 m. There were two furnaces, but not know their capacity. He did not know which firm built the foundry. The foundry was built not only to serve the MEZ plant, but also the entire Vsetin area.

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plant in Vsetin. He never heard that the Zbrojovka plant had a foundry of its own. The castings delivered to both Zbrojovka and MEZ were of varied shapes and sizes but the most frequent dimension was approximately 50 cm. As a matter of fact, MEZ used castings where ET of the V.I. Lenin Works and CKD Stalingrad preferred to use welded structures. This was because MEZ did not have a welding shop and welding operations were performed in rare cases only. In 1954, a synchronous generator driven by a diesel engine, output about 100 hp, was installed in the foundry to be used as a source of supply of electric current for the furnaces in case of emergency. It was also planned to build railway trackage or cable ways for servicing the foundry area; however neither of these systems was built and transportation was performed by trucks. The trucks left the Kablo Plant at the plant gate (point 39), followed the road to the outskirts of Vsetin, crossed a bridge, and followed Jirasek Street (point 52) to the Main Plant gate (point 9). There was no truck traffic on the narrow bridge (point 53).

7. The organization of production as it was set up in the Main Plant, i.e., in five independent lines, each involving all of the production procedures, was convenient for production in series but was not convenient for piece production. The latter required that each type of production process be performed by equipment located in one particular area and that it serve all of the machinery, regardless of its type or size. As a matter of fact, the plant received large orders for induction motors destined for the Soviets during 1946 and 1947. This caused the plant management to believe that the plant would continue to receive large orders and, consequently, that the organization of production should continue to be arranged for production in series.

Dr. Ing. Vilem Klima, former manager of MEZ Development, told him that the value of the production of induction motors in Czechoslovakia amounted to 2,000,000,000 crowns per year. MEZ was allotted production amounting to 25% of this figure. However, production rended more and more toward piece production rather than series. In 1952 there were large quantities of induction motors in stock at the plant because the orders placed with the plant did not call for the large deliveries expected. During 1954 the plant did not call for the large deliveries expected. During 1954 the customers of the MEZ factory cancelled a large number of orders with the plant.

Situation in Czechoslovakia, i.e., the reduction of investments, which, according to rumor, resulted from the lack of funds. One official of the plant's Sales Department told in the summer of 1954 that if orders continued to arrive at one rate they were

arriving during 1954, there would not be full employment in the plant beginning with 1955 or 1956. However, another official of the Sales Department told about the same time that the plant had more than enough orders for full employment for the near future. Both officials were non-Communist.

the amount of production would continue to have a tendency to be lower and that the seriousness of this tendency would depend on the production of DC machines. the deliveries of DC machines for shipbuilding would decrease sharply in 1955 because the passenger ships built by the Komarno Shipyards in Komarno (N 47-46, E 18-08) would no longer be equipped with electric transmissions. In late summer 1954 it was not yet clear how much the deliveries of DC machines for machine tools would decrease.

8. The quality of production had been poor previously but, since 1952, had been much improved. The reason for the improvement was the fact that the workers became more experienced and the activities

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of the inspecting personnel were improved. However, the quality varied from one product to another and did not reach, for the most part, the quality of ET products. The delivery time for most products was 12 or even as long as 15 months, which was about the same as ET delivery terms. This was a long period of time in contrast, for instance, with Siemens delivery terms for the same type of machines, which did not exceed six weeks. Most of the MEZ Vsetin departments worked one eight-hour shift only, but some, such as the Punch-Press Shop, worked two shifts. This was necessary because of the lack of machine tools.

Materials supplied to the plant:

supplied these.

- Conductors of small diameters were supplied to MEZ Vsetin by the Kablo plants in Prague-Hostivar, Kladno (N 50-09, E 14-06), and Bratislava. | did not believe that the Kablo plants specialized in the production of conductors of certain sizes only; small conductors of all sizes could be procured from any of the Kable plants. The most business was carried on with Kable in Bratislava. The conductors were insulated with a polyamide; however it was planned that MEZ would begin using conductors insulated with glass instead in the near future. These were also to be Kablo products.
- b. Large conductors actually were pieces of copper which were not insulated. did not know which factory supplied 25X1 these items.
- Copper for commutators was delivered by the Povazske strojarne (Vah Machinery Works), National Enterprise, in Povazska Bystrica (N 49-07, E 18-27). It was the only plant in Czechoslovakia which supplied this item.
- Cadmium copper for commutators was used in rare cases only, for instance, in dynamometers destined for the USSR.3 25X1 25X1
- Special steel for high-speed machines was supplied by the United Steel Works National Enterprise, in Kladno.
- Steel castings were supplied by a steel works in Gottwaldov.

25X1 Rolling materials, mainly shafts.

did not know who

- h. Welded structures were delivered by various plants, mainly the Kralovo Pole Machinery Plant, Klement Gottwald Works, National Enterprise, in Brno. Welded structures were also constructed at MEZ, but only in exceptional cases.
- 1. Dynamos and transformer sets were supplied by the Iron Works in Kraluv Dvur (N 49-56, E 14-03) and in Liskovec, near Frydek (N 49-41, E 18-21).
- Carbon brushes were delivered, by Kablo, National Enterprise, in Topolcany (N 48-39, E 18-11).
- Fittings for carbon brushes were supplied by MEZ in Brumov (N 49-06, E 18-02).
- Commutators were supplied by MEZ in Brumov.

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- m. Insulating materials were supplied by the Isola plant in Kolin (N 50-02, E 15-12).
- n. Ball bearings used at the plant were SKF and Steyer products.

 In the course of his work.

 the production of ball bearings in Czechoslovakia was still limited to the most common types.

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o. Varnishes.

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p. MEZ Vsetin did not use aluminum in their machinery and did not believe that aluminum was used by any other plant for production of strong current electric machinery.

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MEZ Vsetin used materials of foreign manufacture, such as carbon brushes, insulating materials, and varnishes, very rarely; whereas ET used imported materials on a much larger scale.

There was no serious trouble or delay in production which was caused by a lack of raw materials. Although the employees of the plant's 10. Purchasing Department continually complained about all sorts of shortages of raw materials, source believed that the shortages caused minor difficulties only, which might have been counteracted by temperarily shifting the production from one item to another. The lack of supplies of electric current to the plant caused delays in production and was especially troublesome for the testing plant. The shortage of electricity was most serious during the winter of 1953-54. The plant was supplied from public high-voltage lines and consumption was rationed. the plant's consumption was limited to 1,000 kw-hr for each eight-hour shift and that the consumption at any particular moment was not to exceed 200 kw. The testing plant operated during the night most of the time and had to request unusually large supplies of current in advance. Severe penalties were paid if the plant used more current than its ration stipulated; penalties were also paid if the extra supplies which had been requested in advance and authorized were not used. At the end of 1953, the chief of the testing plant was sentenced to 15 months in prison for sabotage. He had placed a request for additional current for testing some machinery; however when the time came for testing, the production of the machines was not completed and no testing could be done. The chief, apparently not completed and no testing could be done. The chief, apparently fearing the consequences of not using the current requested, deliberately wasted the power. The chief's subordinates, who disliked him as a political careerist and a generally disagreeable fellow, reported him to the factory manager. The latter attempted to hush up the case, but the employees of the testing plant bypassed him and informed the police.

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Il. The following divisions were directly subordinate to the plant's manager: First Engineer; Cadre Department; Department for Special Tasks, which was the former Security Department; and Administration. The First Engineer supervised the heads of the following departments: Workshops; Technical Offices; Technology, which was actually the computation of production costs and production time; Inspection; and Power Supply. The chief of the workshops supervised the heads of the following sections: Main Production Building, where there was a foreman for each production line; Dispatchers, who organized the overall course of production line; Dispatchers, who organized the type Production; Repair Shop; Welding Shop; Foundry; Molding Shop; and Tool Shop. The chief of the Technical Offices supervised the following sections: Tool Design; Machinery Design; Preliminary

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	Printing. There was also a section for development activities in the	2
	The chief of	
	ceived; Inspection of Products under Production; and the Testing Plant. Plant. ordinate to Administration or to the First Engineer.	2
•	From the total of approximately 2,500 employees, about 20% were administrative and technical officials and the remaining were workers.	2
	Only women employees worked in the winding shops. The majority of the workers were not trained mechanics, but were transferred	- 145 T
	had a tendency to promote as many former sounded werkens	
	ble to positions as technical officials, while a relatively small percentage of these workers were made foremen. this was a poor policy and that it would have been much more sensible to use the former Sousedik workers in the workshops only, in order	2
	task of the foremen to train and sector the management of the	
	however, the foremen were overworked with administrative duties and had no time to spend training employees.	
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Sketch of MEZ Vsetin Plant Layout (See page 10) 25X1 LEGEND: Main Plant. Three-story brick building. First floor: testing shop for prototypes. Second floor: Technology Department. Third floor: telephone switchboard, teletype, and offices of the manager and first engineer. Single-story old building, formerly used for garages. 25X1 not know what was presently located in this building or 25X1 the location of the new garages. 3. Old building which was connected to the brick building (point 1). Production of prototypes and winding shops were located here. 4. An old chimney about 20 m. high. Former boiler plant, not know the purpose for which 25X1 the building was presencey used. Partly old and partly new building where the Punch-Press Shop was located. Main production building, one story, with a glass roof. 7. Single-story wooden barracks built in 1946. The canteen and .8. the office of the Plant's Council were located here. Gatehouse and reception room. New boiler plant which was constructed in 1948 or 1949. Its chimney was approximately 40 m. high. Transformer station with a transformer for 1,000 kilovolt-amperes; built in 1951 or 1952. This was the only channel of electricity to the Main Plant. The old transformer was rated for only 220 kilovelt-amperes. 12. Building where courses and training were conducted. 13. Sales Department. Former private house belonging to the former plant owner's brother. Bookkeeping and statistics machines were located in this house. 25X1 15. Single-story building, the construction of which was begun in 1953 and completed in 1954. This building was the only significant enlargement of the plant during the last two years. The factory employees formed brigades which worked during regular working hours to help with the construction. Prumstay, National Enterprise in Vector was in charge of this con-16. National Enterprise, in Vsetin was in charge of this construction. It was planned to use the building for storage of finished products.

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- 17. Spur track connecting the Main Plant with the rail line Vsetin Valasske Meziri (N 49-28, E 17-58).
- 18. Paved factory yard. The other open areas within the Main Plant were not paved or well arranged.
- 19. Barbed wire fence encircling the Main Plant.
- 20. Two-story, old house where the Cadre Department was located. Adjacent to it was a private house which did not belong to the factory.
- 21. Former residence of Sousedik; presently used as the factory dispensary.
- 22. Two-story apartment house where several factory employees resided.

 Points 20, 21, and 22 were located outside of the Main Plant area.
- 23 30. Omitted.

II. Kablo Plant.

- 31. Gatehouse. This gate connected the two plants and was open only between 0630 and 1530 hours.
- 32. Old foundry. Source believed that the building was no longer in use.
- 33. Former molding shop.
- 34. Former storage for molds.

New Foundry:

- 35. Founding area.
- 36. Two furnaces.
- 37. Offices.
- 37a. Location of synchronous generator.
- 38. Old two-story house used for offices.
 - 39. Main gatehouse for the Kablo Plant.
 - 40. Boiler plant for the Kablo Plant with chimney about 40 m. high.
 - 41. Single-story building used for storage of materials used in production.
 - 42. Single-story building, about 50 years old, where the workshop for production of small parts, canteen, and reproduction and printing shop were located. Bachelor billets for several workers were also located here.
 - 43. Transformer plant for the Kablo Plant.

4. 4.			•	
44	Single-story	milding.		25X1
	in it.			

45. Vegetable garden for use of the canteen.

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- 46. Road within the factory area.
- 47. Open area used for storage of materials.
- 48. Two or three buildings. Source did not know whether there were two or three buildings located here nor did he know their purpose.
- 49. Highway leading from Vsetin to Valasske Mezirici.
- 50. Jirasek Street, which led from the Main Plant to Vsetin.
- 51. Narrow bridge of iron construction, about 2.5 m. wide, aleading across the Becva River. This bridge was used by pedestrians only and connected the Main Plant and the Kablo Plant.
- 52. Barbed wire fence encircling the Kablo Plant.

53.	Building.	,	

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